50X1-HUM TE Declassified in Part - Sanitized Copy Approved for Release 2011/11/02 : CIA-RDP82-00457R001000120004-7 SECTION CONTROL U.S. OFFICIALS ONLY CENTRAL INTELLIGENCE GROUP INTELLIGENCE REPORT DATE: COUNTRY Yugoslavia INFO. SUBJECT Port of Fiume DIST. XX October 1947 **PAGES** 2 SUPPLEMENT ORIGIN 50X1-HUM DISTRIBUTION STATE WAR NAVY JUSTICE

- 1. The Porto Principale of Fiume is still in a sericusly damaged condition despite the concentrated and intensive repair work that has been, and continues to be, performed. The mining of the moles carried out by the Germans before their withdrawal was thorough, and mines, exploded at intervals of fifty meters, served to shatter every mole and breakwater, every warehouse, shunting shed and railroad line in the port area.
- 2. For more than one year reconstruction has been carried out by gangs of "voluntary" laborers working in shifts of about 200 men at a time night and day. Progress has been steady but largely confined to clearing up the destruction rather than effecting any large scale reconstruction. This has been caused to a certain extent by the lack of building materials and technicians of the quality needed for the reconstruction of the port.
- 3. A summary of the work that has been completed includes:
 - a. The bringing into complete working operation of the railroad system that runs through the port area.
 - b. The reconstruction of the majority of the warehouses in the Porto Principale area so that storage capacity is now almost equal to what it was before the war.
 - c. The bringing into complete working operation of the Molo Palermo, Riva Liugi Rizzo, and that part of the Molo Napoli enclosing the berthing basin including berths, railroads, overhead cranes (14 in number).
 - d. The reconstruction of the small craft basins and piers, the Molo Adamic and Molo S. Marco, including the two cranes at the base of the Molo Adamic used for unloading of coal from the fleet of schooners ferrying coal from Arsa.
 - e. The complete repair of the Riva Cristoforo Colombo so that barths may be provided for three 5,000 ton vessels.
 - f. Temporary repair of the Molo Ammiraglio Cagni to provide a continuous breakwater, instead of the breached wall that existed after the mining, and to provide berthing space for some three vessels of five to eight thousand tons.

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- g. The port has been completely fenced with barbed wire.
- 4. Labor is being rounded up from the surrounding countryside and drafted from districts by Labor Exchanges. Labor is supposedly "voluntary", but considerable difficulties are made for people who do not volunteer when asked to co so. The gangs are now concentrating on the Lolo Ancona and the offices that lie close by.
- 5. It is estimated that at the present rate of work a further three or four years will be required to reconvert the port to its pre-war standard of efficiency and put it into complete working order. The average number of foreign merchant vessels berthing in the Porto is now about five per month. Six months ago traffic was rather higher, as UNRIA goods were in transit. This traffic has now almost entirely ceased, having been diverted to ports on the Dalmatian Coast.
- An average of three Soviet vessels berth at Fiume per month carrying cargoes from Odessa and the Black Sea ports. Cargoes are various but consist largely of manganese, metal ores, and coke.
- 7. The average monthly total of merchant tonnage passing through the port amounts to about 20,000 tons and, in addition, there is the quite considerable traffic of small craft along the Dalmatian and Istrian coasts.
- 3. The port is entirely enclosed by a barbed wire reinforced fence containing three gates which are guarded by members of the local Difesa Popolare. The harbor is regularly patrolled by launches at night, but as there is no system of lighting the area, these patrols are not very effective. Despite the activities of the police, very considerable pilfering occurs and little guarantee is given by the port authorities for the safety of cargoes.
- The Yugoslavs intend to capture for Fiume the Central European traffic which previously used the port of Trieste. By modernizing the entire port, installing all-electric machinery, cranes and gantries, thus speeding up the process of loading and discharging, and by providing cheap labor and cutting the port tariffs to a minimum, Yugoslavia hopes to acquire the great majority of the Northern Adriatic merchant traffic.
- 10. As a first step toward this it is believed the Yugoslavia has already entered into an agreement with Czechoslovakia, Hungary and Foland, under which these countries will conduct their Mediterranean import and export trade exclusively through the Port of Fiume. Specially reduced tariffs and transit rates are stated to have been agreed and these countries will not make use of the Fort of Trieste.

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